

INFORMATION REPORT

50X1-HUM

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SECURITY INFORMATION

REPORT

DATE DISTR. 11 August 1953

DATE OF INFO.

REQUIREMENT NO. RD

PLACE ACQUIRED

REFERENCES

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1. The 30 Decembrie Factory, previously called ITA Cotton Mill and owned by Baron Neumann, is located at 1 Strada Vlaicu, Arad. It makes cotton products and employs a staff of 6,500 including 430 clerical workers. The technical work is done in three shifts.
2. The plant has the following departments:
 - a. Ginning
 - b. Spinning mill
 - c. Weaving mill
 - d. Dyeing house
 - e. Dressing and bleaching installations
 - f. Velveteen and plush production
 - g. Rough bathtowels and swimming suits
 - h. Wicks
 - i. Bandages, medical cotton-wool, polishing wool, twill tape, shoelaces, and organdy.
3. In addition there are the following installations; Repair shop, locksmith and fitter's workshop, and electric power plant which requires about 400 to 500 tons of mazout per month.

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(Note: Washington Distribution Indicated By "X", Field Distribution By "#".)

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4. Approximately 80 per cent of the raw cotton is imported from the USSR the remainder being local Ialomita cotton. Prior to 1948 small quantities of cotton were also imported. In 1950 the factory processed 12,000 to 15,000 kilograms of raw cotton per day, in addition to small quantities of cellofibre. 50X1-HUM
5. According to plan, 60 per cent of the total production goes to the army. Almost the entire production of khaki cloth, canvas, canvas sheets, and shoelaces for military shoes goes to the Gheorghiu Dej Clothing Factory in Bucharest and is checked at the factory by Rumanian and Soviet purchasing officers.
6. Rough towels are exported and are priced at \$1 each. Damask bedding is exported to the USSR. Bandages and cotton-wool are supplied to the Health Ministry in Bucharest. Small quantities of all manufactured articles are sent to fairs and exhibitions in the USSR. 50X1-HUM
7. The annual turnover in 1950 was 4,500 million lei. Tax on turnover was paid at an amount of 40 to 50 million lei every half month. The rates for the tax on turnover were as follows:
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|--|---|
| a. Rationed goods | 10 per cent of selling price |
| b. Unrationed goods | 40 to 50 per cent of the selling price |
| c. Cotton-wool and bandages | 7 per cent of the selling price |
| d. Export goods | Exempt |
| e. Processing of materials for other enterprises | 7 per cent of the price charged for the work. |
8. Teba, another textile plant at Arad, was taken over by the Soviet as enemy property. It has approximately 1,000 employees and produces goods similar to those of the 30 Decembrie Factory.

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